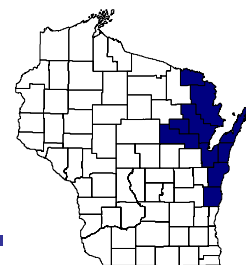


WORKFORCE OBSERVATIONS

for the Bay Area WDA counties
Brown, Door, Florence, Kewaunee, Manitowoc, Marinette, Menominee, Oconto,
Shawano, and Sheboygan Counties



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Wrap up of 2005 Bay Area Labor Force and Industry Sector Tallies

The preliminary average annual labor force data for the Wisconsin Bay Area showed a slight decline in the number of workers in the labor force between 2004 and 2005. It also indicated a moderation of the area's unemployment rate from 2004. The annual rate for the area was 4.7 percent, the same as the statewide average. Barring revisions when final data is released later this year, this will be the lowest unemployment rate for the region since 2001 when the annual rate was 4.4 percent.

The rate for 2005 was 0.3 of a percentage point below the 2004 average annual rate. The lower rate was a combination of several factors in 2005. One was a lower number of workers in the labor force. The number of workers in the labor force declined by 4,100 during the year. The other factor was fewer workers unemployed. The number of workers estimated to be unemployed was down by 1,443 from 2004. This pattern of a lower labor force and fewer unemployed workers was common throughout the state with the exception of the Fox Valley WDA just to our south. While the number of unemployed

2004 and 2005 Annual Average Labor Force*

	Bay Area WDA	Wisconsin	United States
2005			
Labor Force	346,253	3,050,651	149,320,333
Employed	330,008	2,907,733	141,729,750
Unemployed	16,246	142,918	7,590,583
Unemployment Rate	4.7%	4.7%	5.1%
2004			
Labor Force	350,353	3,071,179	147,401,167
Employed	332,663	2,919,201	139,251,917
Unemployed	17,689	151,978	8,149,250
Unemployment Rate	5.0%	4.9%	5.5%

*Preliminary

also declined over the year in the Fox Valley WDA, the area, unlike the Bay Area had an increase in their labor force over the year. (+ 700 workers). It is hard to tell if the decline in the labor force in the region and state is due to economic reasons or a precursor to a declining labor force in the years to come in relationship to the aging of the population. On a national basis, the first of the nation's 79 million baby boomers began turning age 60 in 2006.

Along with a decline in the number of workers available in the labor force, the area

Bay Area WDA Annual Average Nonfarm Industry Employment*

	2004	2005	# Jobs Change	% Jobs Change
All Industries	314,833	316,727	1,895	0.6%
Construction/Natural Resources	16,042	16,178	137	0.9%
Manufacturing	75,396	75,748	351	0.5%
Wholesale and Retail Trade	43,909	44,663	753	1.7%
Transport/Warehouse/Utilities	15,041	15,487	446	3.0%
Financial Activities	16,009	16,284	274	1.7%
Education and Health Services	38,328	38,828	500	1.3%
Leisure and Hospitality	28,752	28,287	-466	-1.6%
Info./Prof./Bus. and Other Services	40,707	40,605	-101	-0.2%
Fed/State/Local Government	40,649	40,649	0	0.0%

*Preliminary

(Continued on page 2)

Local/State/National Quarterly Unemployment Rates

	Fourth Quarter 2005 Average Labor Force			
	Total Labor Force	# of Employed	# of Unemployed	Unemploy. Rate
Brown County	138,600	132,900	5,700	4.1%
Door County	16,470	15,640	840	5.1%
Florence County	2,720	2,560	170	6.1%
Kewaunee County	12,080	11,590	490	4.1%
Manitowoc County	45,300	43,330	1,970	4.3%
Marinette County	22,980	21,640	1,340	5.8%
Menominee County	1,600	1,460	140	8.7%
Oconto County	20,700	19,600	1,100	5.4%
Shawano County	21,740	20,720	1,020	4.7%
Sheboygan County	63,800	61,400	2,400	3.7%
Bay Area WDA	346,000	330,800	15,200	4.4%
City of Green Bay	59,600	55,900	3,700	6.2%
City of Manitowoc	17,960	17,040	930	5.1%
City of Sheboygan	26,960	25,700	1,270	4.7%
Wisconsin	3,047,900	2,919,800	128,000	4.2%
United States	150,139,000	143,075,300	7,063,700	4.7%
Change Compared to Previous Quarter				
Brown County	1,370	1,260	100	0.0%
Door County	-1,500	-1,690	200	1.5%
Florence County	-50	-50	0	0.2%
Kewaunee County	130	110	20	0.1%
Manitowoc County	-410	-410	0	0.0%
Marinette County	60	-130	190	0.8%
Menominee County	-90	-40	-60	-2.8%
Oconto County	390	190	200	0.9%
Shawano County	-480	-560	80	0.5%
Sheboygan County	-800	-660	-140	-0.2%
Bay Area WDA	-1,380	-1,970	590	0.2%
City of Green Bay	680	530	140	0.2%
City of Manitowoc	-170	-160	-10	0.0%
City of Sheboygan	-360	-270	-90	-0.3%
Wisconsin	-14,200	-10,900	-3,300	-0.1%
United States	-337,300	74,000	-411,300	-0.3%
Change Compared to Same Quarter, Previous Year				
Brown County	-1,850	-2,130	280	0.3%
Door County	-30	-10	-10	-0.1%
Florence County	-20	-30	10	0.5%
Kewaunee County	-130	-190	50	0.5%
Manitowoc County	-130	110	-240	-0.5%
Marinette County	-170	-240	70	0.3%
Menominee County	-40	-40	0	0.0%
Oconto County	-340	-310	-20	0.0%
Shawano County	-510	-570	60	0.4%
Sheboygan County	-350	-380	30	0.1%
Bay Area WDA	-3,570	-3,780	210	0.1%
City of Green Bay	-800	-900	90	0.2%
City of Manitowoc	-110	40	-160	-0.8%
City of Sheboygan	-150	-160	10	0.0%
Wisconsin	-19,400	-19,200	-200	0.0%
United States	2,105,300	2,640,000	-534,700	-0.4%

(Continued from page 1)

also had a decline in the number of workers estimated to be employed. The number of employed declined to 330,008 in 2005, which was a drop of 2,655.

Looking at the region from the viewpoint of the number of jobs, there was an annual average increase of 1,895 jobs in the region (+0.6 percent from 2004). This was below the state's preliminary annual growth rate of 0.9 percent. (The previous paragraphs only looked at the number of workers, regardless if they worked in the region or not, while the jobs data measures jobs at place of work without regard to where its workers live). Like the labor force numbers above, this data is preliminary and may be adjusted up or down in early 2006.

The various parts of the Bay Area's economy changed at different rates between 2004 and 2005. Some industry sectors created new jobs, while others had declines. Like many other areas in the state, the combined wholesale and retail trade sector had the largest increase in the Bay Area, adding over 750 jobs. This sector accounted for just under 39 percent of the annual, net job creation in the region. While specific data at the county level is not available due to confidentiality standards, it is probably safe to assume that the majority of these jobs were in retail trade.

Education and health services posted the second highest increase (+500) over the year followed very closely by transportation and warehousing and utilities (+466). It should be noted that the manufacturing sector showed some positive signs of growth on an annual basis in 2005. Manufacturing on a preliminary basis was up 351 jobs (0.5 percent) on an annual basis. Although the growth rate for manufacturing is lower than the annual rate of growth for jobs in the region, it is good news to see growth in this sector after having several years of declines after 2001.

There were two industry sectors in the region that experienced declines in jobs in comparison to 2004. These were leisure and hospitality (-466 jobs) and information, professional business and other services (-101 jobs). It is not unusual for large increases or decreases in the leisure and hospitality industry. This industry is affected by weather and events, such as the PGA tournament in Sheboygan in 2004, which increased this county's employment by over 1,000 jobs during its run.

Local/State/National Quarterly Industry Employment

	Avg Quarterly Number of Jobs by Industry Sector										
	United States	Wisconsin	Green Bay MSA	Sheboygan MSA	Door County	Florence County	Manitowoc County	Marinette County	Menominee County	Shawano County	Bay Area WDA
	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005
All Industries	135,215,900	2,865,600	170,700	62,100	13,210	1,260	36,600	21,290	1,910	12,640	319,700
Construction/Natural Resources	8,051,000	139,400	9,000	2,600	970	70	2,140	800	0	580	16,200
Manufacturing	14,288,300	503,300	31,300	23,100	1,930	330	10,640	6,610	0	2,150	76,000
Total Trade	21,272,600	440,400	25,800	7,900	1,950	130	4,180	2,990	50	2,210	45,300
Wholesale Trade	5,760,100	117,400	6,400	1,600	xx	xx	xx	xx	xx	xx	xx
Retail Trade	15,512,500	322,900	19,400	6,300	xx	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	4,993,300	110,700	11,600	1,300	140	30	1,690	800	0	290	15,900
Financial Activities	8,295,300	158,200	11,200	2,400	620	40	1,110	540	20	480	16,400
Education and Health Services	17,665,000	390,000	21,100	7,000	1,460	80	4,960	3,190	0	1,490	39,200
Leisure and Hospitality	12,593,000	250,700	14,600	4,400	2,680	210	2,990	1,600	40	1,230	27,700
Info./Prof./Bus.and Other Services	25,811,700	446,900	25,000	6,800	1,730	90	3,860	2,450	30	1,310	41,200
Information	3,148,000	50,300	2,300	300	xx	xx	xx	xx	xx	xx	xx
Professional and Business Services	17,215,000	261,500	15,400	3,500	xx	xx	xx	xx	xx	xx	xx
Other Services	5,448,700	135,200	7,300	3,000	xx	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	22,245,700	426,000	21,200	6,600	1,730	280	5,050	2,310	1,760	2,900	41,800
Change in Avg. # of Jobs Compared to Previous Quarter											
All Industries	1,320,000	16,000	3,030	-330	-1,410	10	60	170	-80	-160	1,300
Construction/Natural Resources	-134,300	-7,300	-630	-130	-50	-10	-140	-110	0	-40	-1,100
Manufacturing	-22,000	-4,900	-230	-330	-80	-20	-170	20	0	-20	-800
Total Trade	329,900	6,900	470	-30	-170	0	-20	0	0	-40	200
Wholesale Trade	5,800	-900	-70	0	xx	xx	xx	xx	xx	xx	xx
Retail Trade	324,100	7,800	530	-30	xx	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	51,700	2,900	300	0	-20	0	20	30	0	10	300
Financial Activities	4,300	-1,400	0	-30	-50	20	0	-10	-10	0	-100
Education and Health Services	512,700	9,200	530	100	-20	0	10	70	0	-20	700
Leisure and Hospitality	-673,000	-22,800	-300	-300	-1,000	-30	-230	-220	-10	-210	-2,300
Info./Prof./Bus.and Other Services	2,000	-2,000	800	-70	-110	-10	-20	-20	0	0	600
Information	-10,000	200	0	0	xx	xx	xx	xx	xx	xx	xx
Professional and Business Services	67,000	-1,300	600	-30	xx	xx	xx	xx	xx	xx	xx
Other Services	-55,000	-900	200	-30	xx	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	1,248,700	35,500	2,100	470	80	50	610	410	-70	150	3,800
Change in Avg. # of Jobs Compared to Same Quarter in 2004											
All Industries	1,972,200	29,100	-300	600	230	30	810	210	-140	-100	1,300
Construction/Natural Resources	304,000	6,500	-400	30	-10	0	60	-10	0	0	-300
Manufacturing	-74,000	300	-130	370	60	20	210	110	0	-100	500
Total Trade	174,000	-3,200	-130	330	20	0	-40	20	0	70	300
Wholesale Trade	69,900	4,000	70	100	xx	xx	xx	xx	xx	xx	xx
Retail Trade	104,100	-7,200	-200	230	xx	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	94,500	500	370	0	10	0	0	40	0	-10	400
Financial Activities	195,700	1,100	200	70	20	20	50	20	0	30	400
Education and Health Services	369,000	6,100	270	100	10	-10	100	60	0	-30	500
Leisure and Hospitality	221,000	6,400	-530	-170	110	0	-50	10	0	10	-600
Info./Prof./Bus.and Other Services	518,700	8,100	100	-130	10	0	-20	60	0	-20	0
Information	14,300	300	-130	0	xx	xx	xx	xx	xx	xx	xx
Professional and Business Services	484,000	8,000	100	30	xx	xx	xx	xx	xx	xx	xx
Other Services	20,300	-200	130	-170	xx	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	169,300	3,400	-30	0	-10	-20	490	-90	-140	-50	100

Source: DWD Office of Economic Advisors analysis of Current Employment Statistics (CES) data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. These not seasonally adjusted, preliminary figures are rounded and may not sum to the all industries total. The Green Bay MSA consists of Brown, Kewaunee and Oconto counties. The Sheboygan MSA is Sheboygan County.

Bay Area WDA—Fourth Quarter 2005 (October, November and December)

Labor Force

The fourth quarter 2005 unemployment rate for the Bay Area region was 4.4 percent representing a slight rise of two-tenths of a percentage point compared to the third quarter average. With respect to the region's counties, the highest unemployment rate for Q4 was measured in Menominee County at 8.7 percent and the lowest rate was 3.7 percent in Sheboygan County. The largest county in the region, Brown County, registered a Q4 rate of 4.1 percent. The region's quarterly rise in the unemployment rate is within the bounds of seasonal expectation, particularly given the fact that the lowest unemployment rates of the calendar are measured during the most recent summer months of the third quarter.

In terms of quarterly labor force change, the largest increase in the unemployment rate between Q3 and Q4 was measured in Door County, which rose by 1.5 percent point to 5.1 percent. The largest quarterly decrease was in Menominee County falling 2.8 percent points. Door County's labor force is one of the more volatile, seasonally sensitive in Wisconsin, if not in the Midwest with unemployment rates that can fluctuate between eight or nine percent in the winter months down to three or four percent in the warmer, tourism-driven summer months. The job levels in Door County are just as volatile matching its labor force.

Annually, the Bay Area WDA labor force has 3,780 fewer employed residents and just over 200 more unemployed for a net labor force decrease of 3,570 participants. This net decrease in total labor force is a continuation of a pattern seen throughout most of 2005 compared to 2004, in most areas in Wisconsin, with a decline in the level of the labor force. This is a bit perplexing in terms of short-term analysis because it is difficult to attribute this decline to any particular issue. There has been relatively little time to see how well entrenched this decline is, but it is still peculiar, nonetheless, when compared to the fact that the level of the region's labor force has been continually lower, annually, while the regions' jobs numbers have been higher.

The Bay Area unemployment rate was one-tenth of a percentage point higher than what it was in Q4 2004. Six of the regions' ten counties also posted a higher Q4 unemployment rate in compared to 2004. Two counties posted lower unemployment rates and two were unchanged over the year. Like the region, every Bay Area county has a Q4 total labor force that is smaller than what it was for the same quarter in 2004. Manitowoc County was the only county to measure an annual increase in its number of employed residents.

The region's unemployment rates will rise in the first quarter of 2006 compared to Q4. Q1 labor force

figures reach their lowest point and their highest calendar-year unemployment rates during the first few months of the year.

Industry Employment

The tally of total nonfarm employment in the Bay Area averaged 319,700 total jobs in the fourth quarter. This Q4 mark represents a net increase of 1,300 jobs compared to the previous quarter. The bulk of this net quarterly growth was centered in a 3,800 job gain in government employment, which more specifically indicates the fall months' beginning of the school year. Education and health services also posted a large quarterly employment gain of 700 jobs. Offsetting these employment gains were seasonal losses of employment in leisure and hospitality (2,300 jobs); and construction and natural resources (-1,100 jobs).

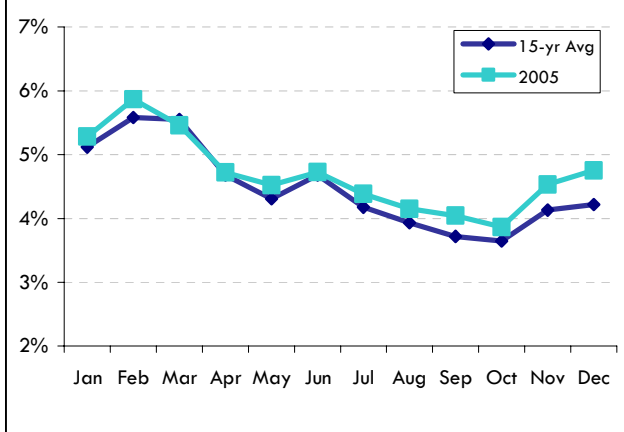
The quarterly employment change among the region's counties was diverse. Brown County posted a net gain of just over 3,000 jobs, while Door County shed almost 10 percent of its total job base (-1,400 jobs) via seasonal movement into the fourth quarter. One thousand of the 1,400-job decrease in Door County were in leisure and hospitality employment. School employment, both public and private, and from Kindergarten through college were responsible for most of the bulk of the quarterly job gains, just as the region indicated.

Compared to Q4 2004, the Bay Area shows the same 1,300 job net growth just as the quarterly growth did, though the yearly job gain was created differently. Both manufacturing and educational and health services sectors posted the largest yearly gains with 500 more jobs, each. Most of the Bay Area's sectors showed net employment gains with the exceptions being leisure and hospitality employment (-600 jobs) and construction/natural resources (-300 jobs).

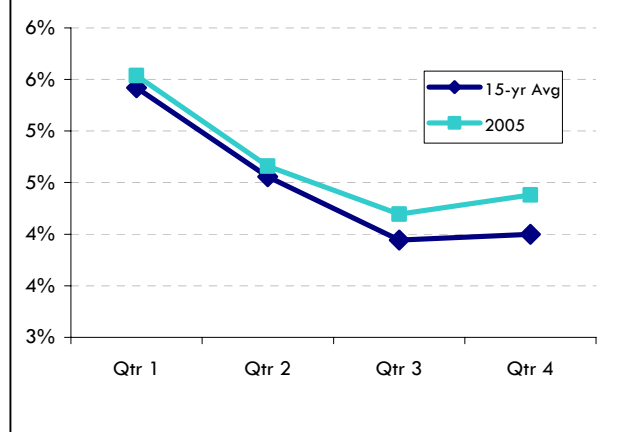
Among the ten counties, Manitowoc posted the largest annual jobs gain with over 800 more in Q4 2004. Sheboygan County was the runner-up with approximately 600 more jobs. The Green Bay MSA, Menominee County and Shawano County each posted annual Q4 job losses. Net employment losses were spread among various industry sectors in the three-county Green Bay metro area though there were significant job gains in educational and health services; financial activities; and transportation, warehousing and utilities somewhat offsetting the losses among its goods-producers, manufacturing and construction employment. Noteworthy is the most of the Bay Area counties have shown an annual manufacturing employment gain vis a vis the fourth quarter. The Green Bay MSA and Shawano County were the exceptions.

The Bay Area WDA Workforce Album

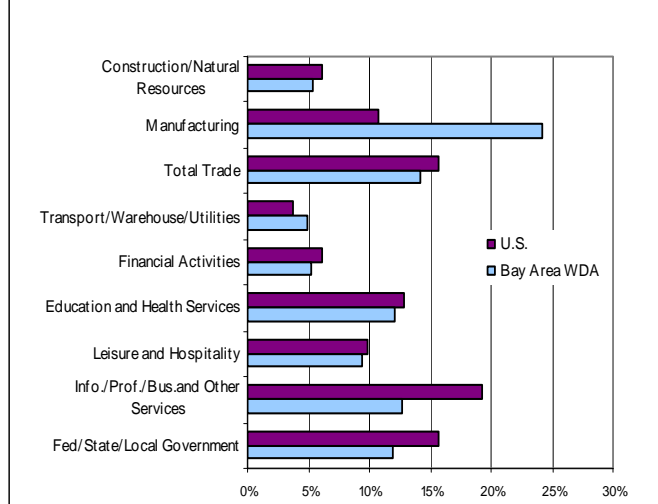
BAY AREA WDA-5 Unemployment Rates



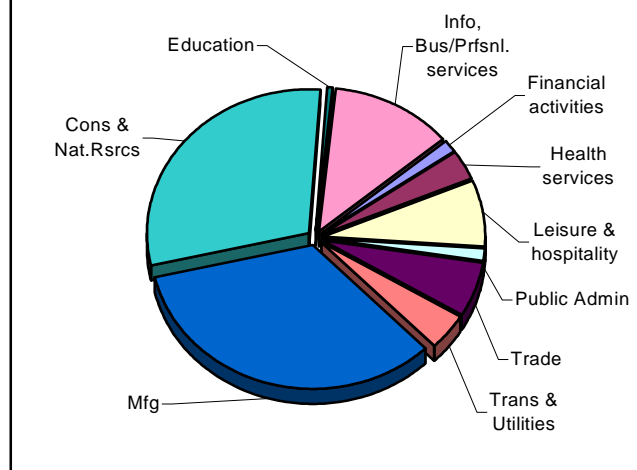
BAY AREA WDA-5 Unemployment Rate



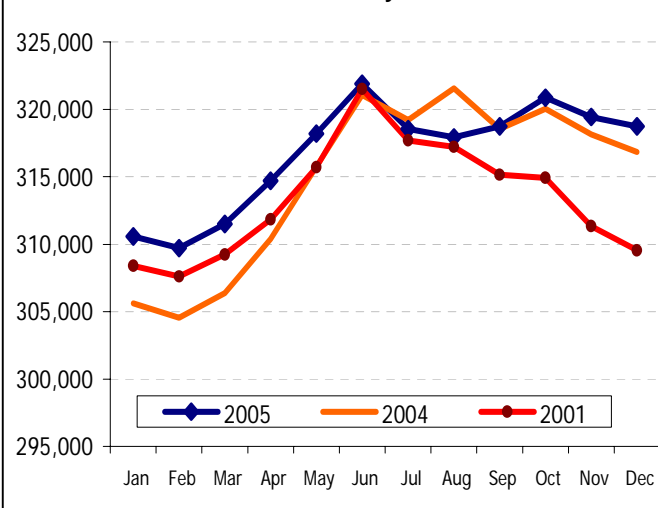
Employment by Industry Sector -Fourth Quarter 2005



Initial Claims for Unemployment Benefits by Industry in Qtr 4 2005 in Bay Area Wisconsin



Total Nonfarm Jobs in Bay Area Wisconsin



Consumer Price Index - All items (not seasonally adjusted)	Change over previous quarter				over yr
	Qtr 1 2005	Qtr 2 2005	Qtr 3 2005	Qtr 4 2005*	Qtr 4 2004
United States	0.6%	1.3%	1.2%	0.5%	3.7%
Midwest cities (50,000-1.5 million pop.)	0.5%	1.2%	1.6%	0.2%	3.5%
Midwest cities (less than 50,000 pop.)	1.0%	1.5%	1.7%	0.3%	4.5%
Employment Cost Index (not seasonally adjusted)					
Civilian total compensation	1.1%	0.6%	0.9%	0.5%	3.1%
Private industry total compensation	1.1%	0.7%	0.6%	0.4%	3.0%
Local & state govt. total compensation	0.9%	0.3%	1.8%	1.0%	3.7%
Civilian wages	0.7%	0.5%	0.8%	0.6%	2.3%
Private wages	0.7%	0.6%	0.7%	0.5%	2.2%
Local & state government wages	0.6%	0.2%	1.3%	0.9%	2.7%
Civilian benefits	2.2%	0.7%	1.1%	0.4%	5.1%
Private industry benefits	2.3%	0.8%	0.7%	0.2%	4.8%
Local & state government benefits	1.4%	0.5%	3.0%	1.1%	6.1%
Source: US Bureau of Labor Statistics				* current quarter	

Source: US Bureau of Labor Statistics

* current quarter